

BRETT O'NEIL

Office of the Commissioner of
Securities & Insurance
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Attorney for the CSI

**BEFORE THE COMMISSIONER OF SECURITIES AND INSURANCE
MONTANA STATE AUDITOR**

IN THE MATTER OF:)	Case No.: SEC-2012-304
)	
Stewart & Associates, P.L.L.C.)	CONSENT AGREEMENT AND
)	FINAL ORDER
)	
Respondent.)	

This Consent Agreement (Agreement) and Final Order (Order) is entered into by the Office of the Commissioner of Securities and Insurance, Montana State Auditor (CSI), acting pursuant to the authority of the Securities Act of Montana, Mont. Code Ann. § 30-10-101, et seq. (Act), and Stewart & Associates, P.L.L.C. (Respondent).

RECITALS

WHEREAS, the CSI conducted a registration review of Respondent;

WHEREAS, the CSI determined Respondent employed three investment advisor representatives at its home office in Missoula, MT;

WHEREAS, the CSI determined that Respondent's investment advisor representatives oversaw Respondent's 59 accounts;

WHEREAS, the CSI determined Respondent submitted U-4's for each investment advisor representative to register with Respondent but failed to ensure initial registration fees were paid to facilitate registration resulting in a funds deficient status ;

WHEREAS, the CSI determined that Respondent's investment advisor representatives were not registered in their individual capacity with the CSI;

WHEREAS, a review of Respondent's investment advisor representatives' recently submitted form U-4's, Application to Register as an Investment Advisor, indicate the representatives meet the registration standards for approval as an investment advisor representative;

WHEREAS, the CSI determined that Respondent was properly registered with the CSI during this period;

WHEREAS, the CSI determined that Respondent owed \$150.00 in registration fees for its investment advisor representatives for the year 2012;

WHEREAS, the CSI alleges that Respondent violated Mont. Code Ann. § 30-10-201(5) by employing investment advisor representatives who were not properly registered to transact investment advisory business, and who lacked an exemption from the Act; and

WHEREAS, the CSI and the Respondent agree that the best interests of the public would be served by entering into this Agreement;

NOW, THEREFORE, in consideration of the mutual undertakings contained in this Agreement, the CSI and the Respondent hereby agree to settle this matter pursuant to the following terms and conditions:

STIPULATIONS AND CONSENTS

Without admitting or denying any of the CSI's allegations, the Respondent stipulates and consents to the following:

1. Within 10 days from the execution of this Agreement and Order, Respondent shall pay a \$500.00 fine per representative to the state of Montana, for a total of \$1,500.00. The fine should be made payable to the Montana State Auditor's Office and sent to the Commissioner of Securities and Insurance, c/o Brett O'Neil, Attorney, 840 Helena Avenue, Helena, MT 59601.
2. Within 10 days from the execution of this Agreement and Order, Respondent shall pay registration fees for the year 2012, totaling \$150.00.
3. Respondent shall register with the CSI before transacting any additional securities business.
4. Respondent fully and forever releases and discharges the Commissioner of Securities and Insurance (Commissioner), the CSI, and all of the CSI's employees and agents from any and all actions, claims, causes of action, demands, or expenses for damages or injuries, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of this Agreement.
5. This Agreement is entered without adjudication of any issue, law, or fact. It is entered into solely for the purpose of resolving the CSI's registration review and allegations and is not intended to be used for any other purpose. For any person or entity not a party to this Agreement, this Agreement does not limit or create any private rights or remedies against the

Respondent including limit or create liability of Respondent, or limit or create defenses of Respondent, to any claims.

6. Upon execution of this Agreement, the Respondent acknowledges and waives its right to appeal the Commissioner's Order.

7. This Agreement constitutes the entire agreement between the parties and no other promises or agreements, either express or implied, have been made by the CSI or by any member, officer, agent, or representative of the CSI to induce Respondent to enter into this Agreement.

8. This Agreement may not be modified orally and any subsequent modifications to this Agreement must be mutually agreed upon in writing to be effective.

9. This Agreement shall be incorporated into and made a part of the attached Final Order issued by the Commissioner herein.

10. Upon execution of this Agreement, the CSI will not commence an administrative action against the Respondent based upon the activities giving rise to the CSI's registration review that occurred prior to the execution of this Agreement.

11. This Consent Agreement shall be effective upon signing of the Final Order.

12. This Order shall not constitute a final judgment or decree as provided by Mont. Code Ann. § 30-10-305(2).

13. Respondent further understands that, upon the signing of the Final Order by the Commissioner or her representative, this Agreement will be an order of the Commissioner and failure to comply with the same may constitute separate violations of the Montana Securities Code, pursuant to Mont. Code Ann. § 30-10-305 and/or other applicable statutes or rules, and may result in subsequent legal action by the CSI.

14. The Agreement is a public record under Montana law and as such may not be sealed or otherwise withheld from the public.

DATED this 23rd day of January, 2013.

OFFICE OF THE COMMISSIONER OF
SECURITIES AND INSURANCE,
MONTANA STATE AUDITOR

By: 
BRETT O'NEIL
Attorney for the CSI

DATED this 16th day of January, 2013.

STEWART & ASSOCIATES, P.L.L.C.

By: 

ITS: Owner Member Richard C. Marshall

FINAL ORDER

Pursuant to the authority vested by Mont. Code Ann. § 2-4-603 and §§ 30-10-101, et seq.,
and upon review of the foregoing Consent Agreement and good cause appearing,

IT IS HEREBY ORDERED that the foregoing Consent Agreement between the CSI and
the Respondent Stewart & Associates, P.L.L.C. is adopted as if set forth fully herein.

DATED this 23rd day of January, 2013.

MONICA J. LINDEEN
Commissioner of Securities and Insurance
Montana State Auditor

By: 
LYNNE EGAN
Deputy Securities Commissioner

cc. Brett O'Neil
Jill Tripp